

MORNING BUSINESS

Mr. GORTON. Mr. President, I therefore ask unanimous consent that the Senate now proceed to a period of morning business with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

REORGANIZATION OF THE DEPARTMENT OF ENERGY

Mr. KYL. Mr. President, I would like to speak for just a moment to alert my fellow Senators and others about an important development this evening which I think we categorize as another piece of good news, in addition to the adoption of the conference report on the tax reform just concluded by the Senate.

Even though the conference report is in the process of being signed and has not yet been filed, I think I can advise my colleagues that later on this evening the House and Senate Armed Services Committees will have concluded their conference report, including the important revisions of the Department of Energy which follow generally along the lines of the so-called Rudman report recommendations and the amendment that Senators MURKOWSKI and DOMENICI and I filed earlier in this session to reorganize the Department of Energy.

The House and Senate had both passed versions of that reform of the Department of Energy. The matter was concluded today in the House-Senate conference report of the Armed Services bill, and that is the vehicle by which the reorganization of the Department of Energy will occur.

Just to recapitulate a little bit about how this came about, if you will recall, as a result of the espionage that resulted in the Chinese receiving significant secrets about nuclear weapons of the United States and the possibility that some of that information had come out of our National Laboratories, there was a great deal of study of the security at our National Labs and in the weapons program generally of the Department.

The President's own Foreign Intelligence Advisory Board, the so-called PFIAB, headed by former Senator Warren Rudman, issued a report, really a scathing indictment of the Department of Energy, its past security policies or lack of security, and its inability to reorganize itself notwithstanding Secretary Richardson's efforts to begin to reorganize the Department. What it said was the Department of Energy was incapable of reorganizing itself. They reiterated a long list of things which the Department had failed to do, which it had failed to put into place, and described the whole situation at the Department as such that it was impossible to expect them to be able to do this on their own.

Therefore, the Rudman commission recommended strongly the Congress do this reorganization by legislation. That is when Senators DOMENICI, MURKOWSKI and I reoriented our amendment to follow closely the Rudman commission recommendations and introduced that as an amendment before this body.

It was originally introduced to the Armed Services bill. It was later put on the Intelligence bill instead. But the Armed Services Committee took the amendment and has worked it now in the conference committee, as I said. As a result of their agreement tonight, there will be a reorganization of the Department, assuming the President signs the Defense authorization bill, which I am sure he would want to do.

Reorganization was agreed to in principle by Secretary Richardson, although there were many things he wanted to change in the detail of it. But what it will do in a nutshell is to establish within the Department of Energy a semiautonomous agency that will have the accountability and the responsibility for managing our nuclear weapons and complex including the National Laboratories. It will be headed by a specific person, an Under Secretary, who will be responsible to the Secretary directly and to a Deputy Secretary if the Secretary so desires.

While, of course, the Secretary of Energy remains in general control of all of his Department, including the semiautonomous agency, on a day-to-day basis it is anticipated this agency will be operated by the Under Secretary, who is responsible for its functions. It will involve security, intelligence, counterintelligence, all of the different weapons, the Navy nuclear program and the other things at the laboratory that relate to our nuclear weapons. To a large extent it will remove the influences of other parts of the Department of Energy over the nuclear weapons program.

One of the things the Rudman commission found was that there were too many people with their fingers in the pie; that the laboratories and the weapons program people were having to get too many sign-offs from too many other people around the Department to work efficiently and effectively. The input of the field offices made it very difficult to know who was responsible, and it was hard to find out in some cases who you even had to get sign-offs from in order to get anything done. They said, in effect, it was no wonder the left hand didn't know what the right hand was doing and that is why they recommended a very clear chain of command, a very clear line of authority with accountability and responsibility with one person at the top and a bunch of people answerable to him and only him—as well as the Secretary, of course.

The net result of that should be we will have a much tighter organization

run much more efficiently. We will not have the influences of these other disparate people within the Department. Security can be carefully monitored and controlled and, in fact, maintained and in some cases even established. Therefore, the security of the nuclear weapons program generally and the laboratory specifically can be enhanced and we will not have the kind of espionage problems we have had in the past.

That is a summary of the problem, the recommendation of the Rudman report, the recommendations Senators DOMENICI, MURKOWSKI, and I introduced, and the action of the House-Senate Armed Services Committee today in approving this particular plan.

I thank some people specifically involved in developing this. In addition, of course, to Senator DOMENICI, who was the primary mover behind this idea, and Senator Rudman and the members of his panel; Senator MURKOWSKI added a great deal as did Senator SHELBY, the chairman of the Intelligence Committee, and Senator WARNER, the chairman of the Armed Services Committee in the House.

Specifically, I thank Senator WARNER for his patience for working with a lot of people who had different ideas about what ought to be done, bringing this to a near successful conclusion, from my point of view, and which will enable us to move forward very quickly with this reorganization.

There are also some special staff people who, as always, make these things happen. In the Senate, the staffs of Senators DOMENICI and MURKOWSKI; Alex Flint, Howard Useem, and John Rood did a great deal of work on this and should be complimented. Two Members of the House of Representatives, who were very active in making this work, Congressman DUNCAN HUNTER and Congressman MAC THORBERRY were really the key movers and shakers on this.

So as we get ready to leave here this evening, I think it is important for us to acknowledge the work of these people and the leadership of Senator WARNER and the conclusion which I hope can soon be announced, as the successful completion of the conference, at least in this one important area, making a great stride toward ensuring the security of our weapons programs and our National Laboratories.

The PRESIDING OFFICER. The distinguished Senator from Virginia.

Mr. WARNER. Mr. President, I wish to thank our distinguished colleague, together with Senators DOMENICI and MURKOWSKI and their respective staffs. Indeed, the staff of the Senate Armed Services Committee and the House Armed Services Committee all collaborated to try to make this a constructive, constitutional, and balanced approach.

But if I could ask the Senator a question, so those persons who have not had

the opportunity to follow as closely as he the progress of this legislation, does the Senator think the product created by the House-Senate conference represents a piece of legislation that is stronger, in terms of creating this concept of a separate entity within the DOD, than was the bill passed by the Senate at 93-1?

Mr. KYL. Mr. President, I think it is. I think the Senate passed a good bill almost unanimously. The House of Representatives had a somewhat different approach. I am sure they considered it an even stronger bill. As the chairman knows better than any of us, compromise is required in that kind of situation. I think each body moved somewhat toward the other. So inevitably I think the product, as good as it was out of the Senate, is even strengthened by some of the ideas that came out of the House of Representatives.

I might ask the chairman a question, if I could.

Mr. WARNER. Yes.

Mr. KYL. One of the things that animated us in the Senate was the need to get on with this project, get the Department reorganized, and to begin dealing quickly with these security problems so we did not have any more problems. Reorganization of a Department, obviously, will take a lot of work and some time. Of course, time will be required to appoint the various officials who will be running it.

But I ask the chairman this, just to get his ideas. There are different dates by which things are required to be done under the legislation. What is our intent with respect to moving this legislation forward and accomplishing its objectives as soon as is possible?

Mr. WARNER. Mr. President, to use an old naval phrase, "with all deliberate speed."

I know the Senator's concern about the insertion of a date in March with regard to the final achievement by, presumably, the current Secretary; if Secretary Richardson will carry this through. Certain sections, however, of this legislation are quite clear that he should start the day after the President, hopefully, affixes his signature to this piece of legislation.

It is a phasing process. We looked at the date of March, and it should not, in my judgment, be interpreted as any lack of resolve by the Congress. To the contrary, it is a recognition that a major reorganization of this proportion will require a period of time within which to achieve it.

The opposite side of the argument of those who say we should not have had that date would be, if you did not put in a recognition that it would take time, then presumably 1 week after the President affixes his signature, we could haul the Secretary of Energy up here and say: You haven't achieved this in 1 week's time, 2 week's time or 30 days' time.

We had to strike a balance. I know that has been of great concern to my distinguished colleague.

Mr. KYL. If I may add, I know the chairman and I share the same view that "all deliberate speed" means we need to get about it as soon as we can. I ask the chairman this: Is that more to be considered as a deadline for having achieved this rather than a time to begin? Time to begin, of course, when the President affixes his signature.

Mr. WARNER. Mr. President, certainly it is to be viewed the time within which to be completed. Given the certain constructive steps the current Secretary, Secretary Richardson, has taken, I presume he will have achieved the reorganization in a time shorter than that. But I must say to my colleague, you cannot satisfy everybody.

This is my 21st year on the Armed Services Committee, and as we file tonight the signatures of those members of the respective committees, House and Senate, who have approved the conference report, it is my understanding that no Democrat member of the Armed Services Committee in the Senate will be signatory. That comes as a personal disappointment to me as chairman in my first year.

I met with the committee this afternoon. There was representation of probably seven or eight members on the Democrat side. The ranking member let me know beforehand of his concern, and I understood him throughout. We tried as best we could to work with the minority on our committee on this issue, as we do all issues. It is a matter of deep regret that we were not able to reconcile the differences that apparently were very significant between the Democrat approach to this and the Republican majority approach.

I will accept the consequences. I am the captain of this ship now, and I accept full accountability. I do note, however, that my understanding is, as of this hour, most, if not all, the Democrat Members of the House have signed, of course, the identical conference report.

Mr. KYL. If I may interrupt for one other comment, I thank the chairman of the Armed Services Committee for his courtesies in allowing three Senators who are not members of the committee—Senators DOMENICI, MURKOWSKI, and myself—to be significantly involved in discussing this and proposing suggestions and passing on suggestions that came from the other body. That is a good example of how people in different committees—in my case, the Intelligence Committee—working across jurisdictional lines can help shape the legislation. I personally appreciate that very much.

I will add this with respect to our friends on the other side of the aisle. I do not know if I can assign a percentage to it, but it still seems to me that about 90 percent of this bill is the Sen-

ate bill we passed. I do not know of a single concept that deviates from the concepts within the Senate bill, even though some of the language is different.

I think we protected the Senate legislative concepts very well, and I hope that in the end our Democratic colleagues will continue to work with us and certainly with Secretary Richardson to implement the legislation.

I know as we go forward there are going to be hearings in different committees. The chairman's committee will have primary jurisdiction, I understand, and we will be able to continue to work on this because something as significant as the reorganization of the Department is not going to be done in one fell swoop. It will have a lot of fits and starts and oversight and ways of working together. I am sure with the chairman's leadership we will all be able to make this work in the way we intend.

Mr. WARNER. Mr. President, one last observation, if the Senator will remain for a moment, and that is, I think we should acknowledge in this RECORD tonight the work of the Intelligence Committee, the Governmental Affairs Committee, the Energy Committee, and the Armed Services Committee. There were four committees that worked diligently.

Our distinguished majority leader would have periodic meetings of the chairmen, and others such as yourself, who had an interest. Senator DOMENICI attended all of those meetings. On this side of the aisle, from our top leadership down through the committee chairmen and others, we worked together as a team to address this national, if not international, crisis of the leakage of information from these magnificent laboratories. Our national security is absolutely dependent on their work product and the security of that work product today and tomorrow and for the indefinite future.

I thank all chairmen. They had a number of hearings. My estimate is that we in the Senate, among the four committees, must have had 25 hearings on this subject.

Mr. KYL. May I add one more thing? I know it sounds like a recapitulation, but when the Senator mentioned Senator DOMENICI and the fine work our National Laboratories do, I was moved to think about how many times during these negotiations Senator DOMENICI, who represents two of those laboratories, Sandia and Los Alamos, made absolutely sure that the work of those laboratories was well understood by everyone and appreciated by everyone. He was very zealous in assuring that nothing in the legislation would ever detract from their operation or their success, that they could reach out and engage in new missions, that they would be protected in terms of environmental protection and funding.

He was a zealous advocate for those laboratories and all the great work they can do. His leadership in that regard is one of the reasons we were able to achieve such a balanced piece of legislation.

I thank the Chair.

Mr. WARNER. Mr. President, the Senator is correct. I also observe, yes, but he was very objective about the seriousness of this problem. Throughout his deliberations, whether in Senator LOTT's office or the hearings or in our consultations together, he was always very objective, and he put national interests first at every step. So the Senator is correct.

I conclude with one sentence to my friend. I do not think if we recalled William Shakespeare from the grave that this provision on reorganization could have been written on the Department of Energy to satisfy everyone. That is the reason I have such deep regret about my colleagues on the other side of the aisle. Many times we consulted them right down to the word and the comma and the like. We just did the very best we could, and I am proud of the work our committee did. I pay tribute to the respective staffs and my colleagues who worked on it.

We are fully accountable for the effectiveness, and we, as a committee, perhaps with other committees, will hold a hearing very early next fall to determine the progress, assuming this is signed, within a period of, say, 2 months after the President's signature is affixed.

I thank my distinguished colleague.

HIGHLIGHTS OF THE DEPARTMENT OF DEFENSE APPROPRIATIONS CONFERENCE REPORT

Mr. WARNER. Mr. President, I want to make a few more comments regarding the conference of the House and the Senate. Quite apart from the DOE provision, we are very pleased that we made major strides in this legislation on behalf of the men and women of the U.S. military.

We have an authorized funding level of \$288.8 billion, which is \$8.3 billion above the President's budget request. And that is in real terms. This is the first time in 13 years that there has been a real—I repeat—real increase in the defense budget.

Our distinguished Presiding Officer is a member of the Senate Armed Services Committee. He actively participated in structuring this piece of legislation. We have approved a 4.8-percent pay raise for military personnel, reform of the military pay tables, and annual military pay raises 0.5 percent above the annual increases in the Employment Cost Index.

We provide military members with a wider choice on their retirement system. We allowed both Active and Reserve component military personnel to

participate in thrift savings. There is nothing more important. Indeed, the tax legislation just passed—always, certainly, on this side of the aisle we are trying to seek ways to increase savings in our United States. I am pleased now we give wider opportunity to the men and women of the Armed Forces.

Strategic forces: We authorize a net increase of \$400 million for ballistic missile defense, a program that finally has achieved recognition under our distinguished colleague, Senator COCHRAN of Mississippi, in passing here a week ago, the important legislation, which the President has now signed, to take another step forward in protecting America against the likelihood that possibly some accidental firing or limited attack could be launched against this country. We have a long way to go, but through the leadership of Senator COCHRAN, and others, we have finally forged, I think, another, should we say, 10 yards on this lengthy ball field.

We authorize an increase of \$212 million for the Patriot PAC-3 system, again missile defense.

Seapower authorized a \$1 billion increase to the procurement budget request of \$18 billion and a \$251 million increase to the research, development, test, and evaluation budget request of \$3.9 billion for the Seapower Subcommittee under the chairmanship of Senator SNOWE.

Very able work was done on behalf of Senator SNOWE and the ranking member, Senator KENNEDY, for the Navy and the Marine Corps and a limited number of Air Force programs under their jurisdiction.

We extended the multiyear procurement authority for the DDG-51 procurement and authorized advance procurement and advance construction for the LHD-8. We authorize construction of three DDG-51 Arleigh Burke class destroyers, two LPD-17 San Antonio class amphibious ships, and one ADC(X), the first of a class of auxiliary refrigeration and ammunition supply ships.

We authorize advance procurement for 2 SSN-774 Virginia class attack submarines, and \$750 million for the CVN-77, the last of the Nimitz class aircraft carriers currently in planning. We will, however, go on with another class of carriers, and that is the subject of research and development.

In the readiness, we increase funding for military readiness by \$1.5 billion. It provides for the protection of the military's access to essential frequency spectrum. That was a highly contested issue in our legislation. The private sector had concerns that the Pentagon would absorb a proportion of the spectrum beyond its needs. But in consultation with Congressman BLILEY, the chairman of the House committee with jurisdiction, Senator MCCAIN, a distinguished member of our committee, as

well as chairman here of the Commerce Committee, we reached this compromise, which I hope all will find satisfactory.

In the Airland area, we had an additional \$1.5 billion for critical procurement requirements and an additional \$400 million for research and development activities above the President's request. We fully authorized the development and procurement budget request for the F-22 Raptor.

It is with some regret that the House did not adequately fund that program, in my judgment. That is a subject that is actively before the two Appropriations Committees. But both the House and the Senate authorizing committees fully funded that program.

Lastly, upon assuming the chairmanship of this committee from my distinguished predecessor, Senator THURMOND, I decided to establish a new subcommittee entitled "Emerging Threats." That committee, under the great leadership of Senator ROBERTS, moved out, and here are some of the initiatives taken by that subcommittee.

We authorize and fully fund 17 new National Guard Rapid Assessment and Initial Detection—commonly known as RAID—Teams to respond to terrorist attacks in the United States—12 more than the administration request.

It was my judgment, and Senator ROBERTS' and the members of the committee, that this is the greatest threat poised at the United States today—the proliferation of weapons of mass destruction, whether they be biological, chemical, or possibly the incorporation of some crude weapon involving fissionable material. We have to move out on that. Progress was made by this new subcommittee.

Further, we required the department to establish specific budget reporting procedures for its Combating Terrorism Program. This will give the program the focus and visibility it deserves while providing Congress with the information it requires to conduct thorough oversight of the department's efforts to combat the threat of terrorist attack both inside and outside the United States.

We authorize \$475 million for the Cooperative Threat Reduction Program to accelerate the disarmament of the former Soviet Union—now Russia—strategic offensive arms that always threaten the United States. That was commonly referred to as the Nunn-Lugar program for a number of years.

We establish an Information Assurance Initiative to strengthen DOD's information assurance program and provide for an additional \$150 million to the administration's request for information assurances programs, projects, and activities.

In cyberspace today, with the rapid research and development—indeed, achievement—of many technical initiatives, the whole area of cyberspace is